

**CHAPTER: 100**

**Agency Administration/Management**

**DEPARTMENT ORDER:**

**115 – Authority/Responsibility Delegated  
to ACI**

**OFFICE OF PRIMARY  
RESPONSIBILITY:**

**DD  
ACI**

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**ACCESS**

**Contains Restricted Section(s)**

**Arizona  
Department  
of  
Corrections  
Rehabilitation  
and Reentry**



**Department Order Manual**

A handwritten signature in black ink, appearing to read "David Shinn", is written over a horizontal line.

**David Shinn, Director**

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## **PURPOSE**

This Department Order specifies the authority and responsibility for certain business and management-related decisions and activities of the Arizona Correctional Industries (ACI).

## **PROCEDURES**

### **1.0 DEPARTMENT WRITTEN INSTRUCTION COMPLIANCE**

- 1.1 ACI staff members shall comply with all Department written instructions unless an exception is required for valid business purposes.
  - 1.1.1 All ACI personnel actions shall be approved by the appropriate Arizona Department of Administration authority and the respective Deputy Director.
- 1.2 The Assistant Director for ACI shall request a waiver in accordance with Department Order #101, System of Written Instructions, for any exceptions to written instructions. When a waiver is granted, the Assistant Director for ACI shall ensure the information is forwarded to the:
  - 1.2.1 Respective Deputy Director.
  - 1.2.2 Inspections Unit prior to the next scheduled inspection of an institution in which ACI conducts operations.
  - 1.2.3 Policy Unit.

### **2.0 AUTHORITY OF THE DEPUTY DIRECTOR** – The respective Deputy Director or designee shall retain authority for:

- 2.1 Purchases of equipment which cost more than \$100,000.
- 2.2 Joint venture contracts with private sector companies.
- 2.3 Construction or lease of State buildings on prison grounds by private sector companies, for the employment of inmates.
- 2.4 Inmate wages scale.
- 2.5 Review and approval of the ACI Annual Report before its release.
- 2.6 Acceptance and expenditure of private grants of money.
- 2.7 Contracts with outside service consultants which cost more than \$50,000.
- 2.8 Sale of assets or surplus property with a book value over \$30,000.

### **3.0 AUTHORITY OF THE ASSISTANT DIRECTOR FOR ACI** – Authority shall be delegated to the Assistant Director for ACI for:

- 3.1 Approval of requests for purchase of raw materials, supplies, and equipment which cost less than \$100,000, prior to submission to the Financial Services and/or the Contract Compliance Division.

- 3.2 Negotiation and approval of labor contracts with private sector companies.
- 3.3 Signature authority on the ACI checking account for amounts less than \$2,000.
- 3.4 Day to day management of ACI operations, to include financial, accounting, sales, marketing and all production activities, including Owned and Operated Industries and private sector work programs.
- 3.5 All other authority delegated by the respective Deputy Director or by written instruction.

#### **4.0 AUTHORITY OF THE ACI FINANCE, PURCHASING AND ACCOUNTING BUREAU**

- 4.1 In accordance with Arizona Revised Statute (A.R.S.) §41-1622, ACI is exempt from requirements of the State Procurement Code for purchases of raw materials, components and supplies which are used in the manufacture of production of goods or services for sale. References to purchases in this Department Order pertain only to those procurements. Purchases for all other goods and services, including inmate work contracts, shall be made through the Financial Services Division and/or the Contract Compliance Division, in accordance with Department Order #302, Contracts and Procurement.
- 4.2 The ACI Finance, Purchasing and Accounting Bureau shall:
  - 4.2.1 Perform all procurement actions upon receipt of an approved request for purchase from the ACI Regional Manager(s) or designee, in those cases where such approval is required by written instruction.
  - 4.2.2 Have signatory authority on all ACI checking accounts.
    - 4.2.2.1 Such checks shall first be signed by the Assistant Director for ACI or designee.
    - 4.2.2.2 ACI shall submit copies of purchase orders, invoices and signed receiving reports as supporting documentation when checks and warrants are presented to the Finance, Purchasing and Accounting Bureau for signature.
    - 4.2.2.3 The respective Deputy Director shall approve purchases over \$100,000.

#### **5.0 ACI BOARD OF DIRECTORS**

- 5.1 The ACI Board of Directors shall meet annually; more if necessary.
- 5.2 At each ACI Board of Directors meeting, the Assistant Director for ACI and the appropriate ACI managers shall provide a written report and verbal presentation on business operations, short-term business plans, strategic plans, and the ACI financial reports.
- 5.3 After each ACI Board of Directors meeting, the ACI Board of Directors shall make appropriate recommendations to the Deputy Director and ACI management.
  - 5.3.1 The Assistant Director for ACI shall write all meeting action items.

## **IMPLEMENTATION**

The Assistant Director for ACI shall update and maintain the Technical Manuals necessary for the efficient and effective control of ACI business operations and industrial activities.

## **DEFINITIONS/GLOSSARY**

Refer to the Glossary of Terms

## **AUTHORITY**

A.R.S. §31-254, Compensation for Labor Performed

A.R.S. §41-1622, Arizona Correctional Industries; Establishment; Purpose

A.R.S. §41-1624, Arizona Correctional Industries Revolving Fund; Definitions

A.R.S. §41-2501, Applicability